C1750-1

The Fifth Estate

RADIO TELEVISION CABLE SATELLITE

Broadcasting Mar 12

EVERYBODY'S TALKING
(ABOUT LATE-NIGHT MAYHEM).

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PREMIER ADVERTISER SALES

MCA TV
First in first run.
Produced by Imagine Television and Second City

59th Year 1990
Senate shows hand on cable reregulation

Vol. 118 No. 11

Broadcasting Mar 12

Senate staff draft aims to bolster FCC's cable authority...

Proposal by Senate Commerce Committee aides would strip much of cable industry's market power and expand FCC's authority over medium. PAGE 27.

The NFL drops the other cleat...

Last of National Football League deals — with CBS and NBC — are in, bringing record average annual NFL's New TV League. PAGE 28.

Eddie Fritts on the uncertain future of broadcast TV...

In this exclusive interview with BROADCASTING, NAB President Eddie Fritts warns that unless Congress or FCC do something to level playing field with cable, over-air television may fade to black. Page 35.

31 **SELLING MGM/UA**

Kirk Kerkorian agrees to sell MGM/UA studio to French media firm for $1.3 billion.

33 **RADIO BATTLE IN ATLANTA**

Major market group owners prepare to fight broadcaster Tom Gammon's application at FCC to move his Anniston, Ala., station to Atlanta.

34 **NO LOW-POWER FM'S**

FCC launches rulemaking that effectively shuts door on low-power FM radio service.

40 **HA! LAUNCHES APRIL 1**

Viacom's 24-hour basic cable comedy network, HA! starts April Fool's Day with mix of acquired and original shows.

42 **NEW LOOK FOR COMEDY CHANNEL**

HBO's three-and-half-month-old basic cable service The Comedy Channel undergoes changes in style and content.

42 **FOX CHANGES WEEKEND LINEUP**

Fox Broadcasting introduces two shows and moves Booker and The Tracey Ullman Show to new time periods in effort to shake up its weekend schedule.

48 **AD BANS DISCUSSED AT AAF FORUM**

FTC Chairman Janet Steiger promises increased advertising

AAF's Howard Bell

oversight during AAF meeting. AAF's Howard Bell, NBC's Robert Wright and Representative Billy Tauzin warn of economic impact of such action.

43 **REPUBLIC DEVELOPS 28 HOURS FOR NETWORKS**

Republic Pictures Productions announces slate of mini-series and made-for-TV movies in development for ABC, NBC and CBS.

45 **COMMENTS ON FOX PETITION**

Fox affiliates are only ones to give programing service unqualified support for its exclusion from fin-syn rules.

48 **CABLEVISION CLUSTERING**

Cablevision Systems says its marketing of cable service in program clusters in New York is first step toward a la carte pricing.

51 **CHILDREN'S RADIO NETWORKS STARTED**

Two children's radio projects, each with 24-hour formats geared to children under 12, get ready for launch.

50 **RATINGS AND ROONEY RETURN**

60 Minutes moves back into top 10 week of Andy Rooney's return.

57 **ROAD TO NAB: GRAPHICS**

Graphics and animation equipment manufacturers are advancing digital era with new products at NAB.

79 **NBC GLOBETROTTER**

J.B. Holston, head of NBC's international unit, travels world looking for new business opportunities for network.

DEPARTMENTS

Advertisers Index	78
At Large	35
Business	53
By the Numbers	10
Changing Hands	56
Closed Circuit	4
Datebook	18
Editorials	82
Fates & Fortunes	75
Fifth Estater	79
For the Record	60
In Brief	80
Journalism	50
Law & Regulation	45
Masthead	24
The Media	48
Monday Memo	25
On Radio	51
Open Mike	24
Programing	40
Stock Index	14
Technology	57

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BY THE NUMBERS 1

Although network researchers say the departure of Andy Rooney (pictured) from *60 Minutes* had little if anything to do with its ratings decline in recent weeks, the show made a dramatic comeback the first week of his return, Sunday March 4. The show leaped to fourth place among all programs for the week, and delivered a 22 rating and 37 share. The week before, the last Rooney-less episode dropped to 18th place with a 16.7/27. The program's competition that week, however, was unusual in that it faced a repeat one-hour special telecast of the popular new mid-season *America's Funniest Home Videos* on ABC. On March 4, *60 Minutes* faced its usual competition, *Life Goes On* on ABC and NBC's *Magical World of Disney*, beating them both easily.

Overall, for the week ending March 4, NBC won the prime time race as expected, but CBS managed to climb out of the cellar and into second place. It was the sixth time CBS has finished second this season, while it has yet to finish first. NBC

"By the Numbers" continues on page 14.

RATINGS ROUNDUP

Week 23 □ Feb. 26–Mar. 4

Rank		Rating		Network	Show
1	▲	22.7/33	A		*Roseanne*
2	▼	22.4/35	N		*Cosby Show*
3	▼	22.3/35	N		*Cheers*
4	▲	22.0/37	C		*60 Minutes*
5		21.8/33	A		*Am. Funniest Home Videos*
6	▼	21.0/33	N		*A Different World*
7	▲	20.8/33	C		*Sun. Movie: The Incident*
8	▼	20.1/35	N		*Golden Girls*
9	▼	19.5/34	N		*Empty Nest*
10	▼	19.2/28	A		*Wonder Years*
11	▲	19.0/31	N		*Unsolved Mysteries*
12	▼	18.6/28	C		*Murder, She Wrote*
13	▲	18.4/27	N		*In the Heat of the Night*
14	▼	17.8/26	A		*Who's the Boss?*
15	▼	17.6/26	N		*Matlock*
16	▼	17.1/27	N		*Grand*
17	▲	16.8/25	A		*Coach*
18	▲	16.2/28	N		*Midnight Caller*
19	▲	16.1/24	C		*Murphy Brown*
20		15.9/28	C		*Miss USA Beauty Pageant*
21	▼	15.8/30	N		*Hunter*
22	▲	15.7/24	C		*Designing Women*
23		15.6/24	A		*Doogie Howser, M.D.*
24	▲	15.2/27	A		*Full House*
25	▲	15.1/23	N		*Night Court*
26		14.9/24	A		*Mon. Movie*
26	▲	14.9/22	N		*Hogan Family*
28	▲	14.8/26	C		*Knots Landing*
29		14.6/21	C		*Rescue: 911*
30	▲	14.5/23	N		*Mon. Movie*
31		14.4/25	C		*Rescue: 911 Special*
32	▲	14.0/22	A		*Head of the Class*
33	▲	13.8/22	N		*Dear John*
34	▲	13.7/22	A		*Growing Pains*
34	▲	13.7/21	C		*Major Dad*
36	▼	13.5/20	F		*Simpsons*
37	▲	13.4/21	N		*ALF (Mon.)*
38	▼	13.3/23	A		*Family Matters*
39	▲	13.0/22	A		*Sun. Movie: Star Trek IV*
39	▼	13.0/20	A		*MacGyver*
41	▼	12.8/23	N		*Amen*
41	▼	12.8/19	F		*Married...With Children*
43	▼	12.7/20	N		*Sun. Movie: Ferris Bueller*
44		12.6/20	C		*Jake and the Fatman*
44	▲	12.6/21	C		*Newhart*
46	▲	12.3/22	N		*Baywatch*
47	▼	12.2/21	A		*Perfect Strangers*
48	▲	12.1/21	A		*thirtysomething*
49	▼	11.8/21	N		*L.A. Law*
50		11.6/18	A		*Anything But Love*
50	▲	11.6/17	C		*City*
52		11.5/17	A		*Elvis*
52		11.5/20	N		*Nasty Boys*
54		11.0/20	N		*Mancuso, FBI*
55		10.9/20	N		*ALF (Sat.)*
55		10.9/19	A		*China Beach*
57	▼	10.7/16	A		*Just the Ten of Us*
58	▲	10.5/19	C		*Doctor, Doctor*
59	▲	10.2/19	A		*Primetime Live*
60	▼	10.1/18	A		*Father Dowling Mysteries*
60	▼	10.1/16	C		*48 Hours*
62		10.0/18	N		*News Special: White House*
63		9.9/17	A		*Life Goes On*
64		9.8/15	A		*Young Riders*
65	▼	9.6/17	A		*20/20*
66		9.5/15	C		*Thurs. Movie*
67		9.1/16	C		*Paradise*
68	▲	8.9/14	N		*Magical World of Disney*
69	▼	8.6/16	A		*Mystery Movie: Columbo*
70		8.5/14	C		*Garfield: His Nine Lives*
71	▼	8.2/13	C		*Island Son*
72	▼	7.8/12	F		*America's Most Wanted*
72	▼	7.8/14	F		*Totally Hidden Video*
74	▼	7.7/14	C		*Bradys*
75	▼	7.5/14	F		*Cops*
75	▼	7.5/14	C		*Sat. Night With Connie Chung*
77	▼	7.4/11	F		*Open House*
78	▼	7.3/13	C		*Tour of Duty*
79	■	6.8/12	A		*H.E.L.P.*
80	▼	5.6/9	F		*21 Jump Street*
81	▼	5.3/8	F		*Alien Nation*
82	▼	4.4/7	F		*Booker*
83	▼	4.2/7	F		*Tracey Ullman Show*
84	▼	4.1/7	F		*Reporters*
85	▼	2.6/4	F		*It's Garry Shandling's Show*

Guide to symbols

▼ —Down in rank from last week ▲ —Up in rank from last week ■ —Premiere broadcast — —No ranking change

Source: Nielsen Media Research

FREEZE FRAMES: Syndication Scorecard *

Week ended Feb. 18

Rank	Program (Syndicator)	Rtg	Stns	Covg
1	Wheel of Fortune, syn. (King World)	15.0	230	97
2	Jeopardy! (King World)	13.6	220	98
3	Star Trek: Next Generation (Paramount)	10.8	237	98
4	Oprah Winfrey (King World)	10.1	214	99
5	Cosby Show (Viacom)	10.0	204	98
6	Wheel of Fortune, wknd (King World)	9.7	204	93
7	Current Affair (20th Century Fox TV)	9.6	191	96
8	Entertainment Tonight (Paramount)	9.3	175	96
9	MGM Premiere Network III (MGM)	7.9	163	91
10	Mama's Family, syn. (Lorimar)	6.5	174	91
11	Donahue (Multimedia)	6.4	228	99
11	Star Search (TPE)	6.4	152	96
13	Geraldo (Paramount)	6.2	198	98
13	Orion Galaxy Network (Orion)	6.2	129	89
15	Family Feud 2 (LBS)	6.0	139	89
15	Inside Edition (King World)	6.0	108	81

The following shows were rated, but not ranked

Wrestling Network	7.5	171	92
World Wrestling Federation (WWF)	9.5	248	97

* Nielsen weekly pocketpiece

Source: Nielsen and Broadcasting's own research

Summary of Broadcasting & Cable

BROADCASTING

SERVICE	ON AIR	CPs *	TOTAL *
Commercial AM	4,975	251	5,226
Commercial FM	4,269	816	5,085
Educational FM	1,422	271	1,693
▫ Total Radio	10,666	1,338	12,004
Commercial VHF TV	548	19	567
Commercial UHF TV	548	185	733
Educational VHF TV	123	5	128
Educational UHF TV	226	23	249
▫ Total TV	1,441	235	1,676
VHF LPTV	369	706	905
UHF LPTV	457	1,806	1,995
▫ Total LPTV	797	1,713	2,470
FM translators	1,809	322	2,131
VHF translators	2,717	128	2,845
UHF translators	2,135	465	2,600

CABLE†

Total subscribers	52,300,000
Homes passed	73,800,000
Total systems	9,000
Household penetration†	57.1%
Pay cable penetration	28.4%

* Includes off-air licenses. † Penetration percentages are of TV household universe of 92.1 million. ‡ Construction permit. ‖ Instructional TV fixed service. # Studio-transmitter link. Source: Nielsen and Broadcasting's own research.

"By the Numbers" continues from page 10.

averaged a 14.4/24 rating, followed by CBS, which averaged a 13.1/21. ABC was third with a 12.4/20.

CBS was helped by a strong performance from the Friday night telecast of the *Miss USA Beauty Pageant*, which helped the network knock ABC out of first place that night. ABC has also been losing some ground Tuesday and Wednesday to NBC. ABC placed second to NBC's first on both those nights for the week ended March 4.

Fox highlights included a repeat *Simpsons* telecast, placing second on Sunday at 8:30 p.m. with a 13.5/20, while *Married ...with Children*, also a repeat, finished third at 9 p.m. with a 12.8/19.

MarketScope

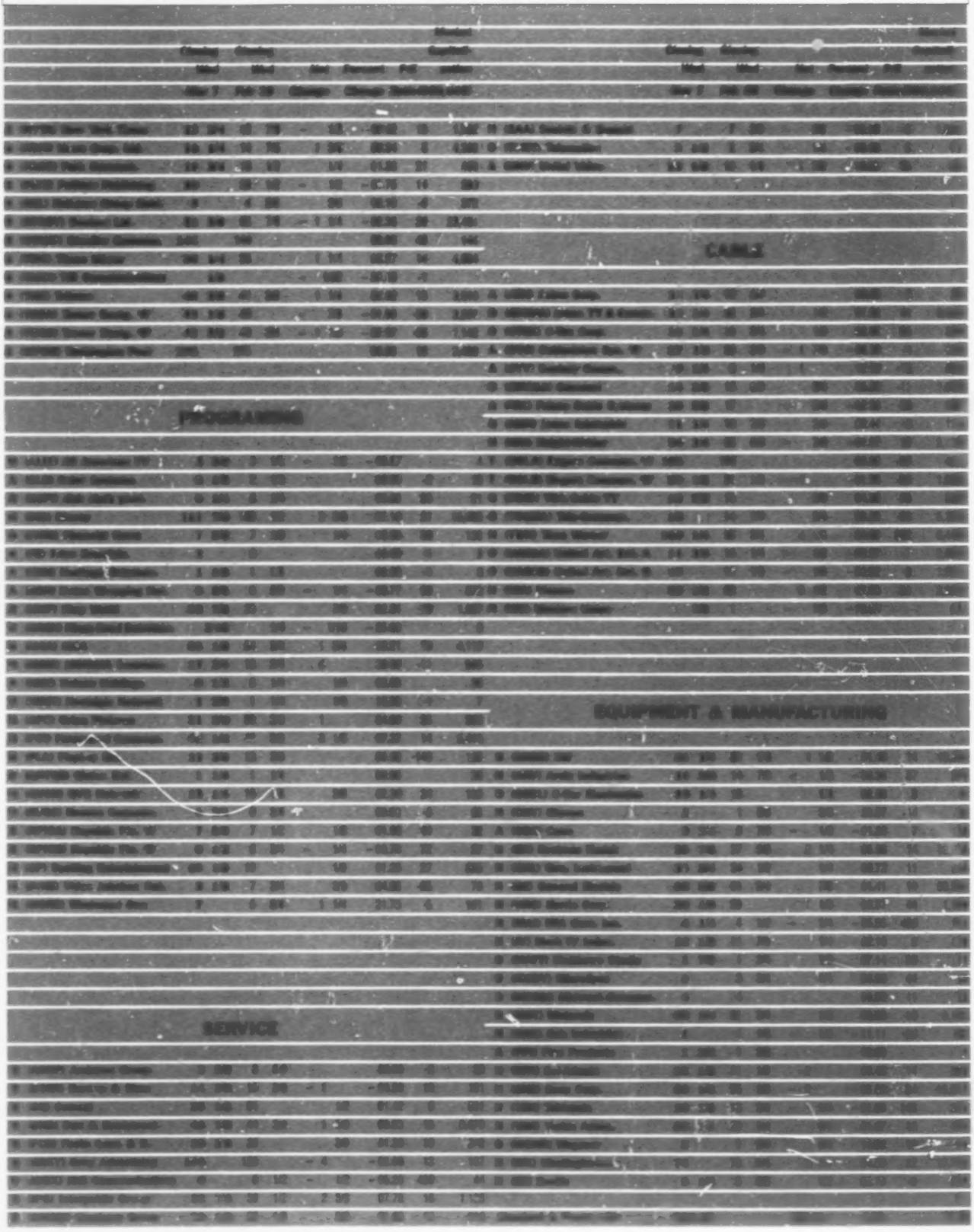
Media stocks followed moderate movement of overall market, as measured by S&P industrials. Most interesting recent development has occured on debt side, with zero and other discount bonds of cable operators losing substantial value in past few weeks. Cablevision Systems (CVC) subsidiary Adams-Russell has seen yield on its 16¼ bonds increase to 32% in recent trading, up from 26% few weeks ago and more than double average yield on MSO debt as calculated by Kidder Peabody. Market problems are said to have prevented other CVC subsidiary, V Cable, from issuing securities, thereby forcing lenders to keep bridge loan in place. CVC's stock price hit new 52-week low last week, dropping 8% to 27½. Other discount cable debt taking recent beating in market include Cablevision Industries, yielding near 31%. Certain other leveraged stocks also underperformed. Ackerly Communications was down near 52-week low, closing at 5½. Scientific-Atlanta gained back some of ground it lost in recent cable equipment sell-off and was up 9% to 23¼. Cable services company Burnup & Sims was down 1 to 14¾, off 16% from two weeks ago. Other than slight jump in MGM, in previous week, market seems to have been taken off guard by merger announcement (see Top of the Week) and opened up 4½ at 18, on Wednesday, closing at 17½.

Stock Index Notes:

STOCK INDEX 1

	Closing Wed Mar 7	Closing Wed Feb 28	Net Change	Percent Change	P/E	Market Capitalization (millions)
BROADCASTING						
[illegible]	39¾	51⅞	– 7	-01.33	20	5,571
[illegible]	163 3/4	182 5/8	– 20	-10.20	16	4,830
[illegible]	13 3/8	12 1/8	+ 1 1/8	08.88	110	18
[illegible]	6 3/4	5 7/8	– 1/8	-02.12	6	57
[illegible]	63 1/2	111 7/8	– 27 5/8	-24.68	40	4,048
[illegible]	3 1/8	3 1/8		00.00		11
[illegible]	3 1/8	5 3/4	– 2/8	-08.57	-40	66
[illegible]	29	33 1/8	– 3/4	-01.23	12	107
[illegible]	5 3/4	8 1/8	– 1/8	-02.43	-4	43
[illegible]	3 3/4	2 1/4		00.00	-2	6
[illegible]	60	60		00.00	20	618
[illegible]	2	2		00.00	-2	4
[illegible]	5 3/4	5 1/2	– 1/8	-02.27	-2	110
[illegible]	4 5/8	4 5/8		00.00		35
[illegible]	32 3/4	33 1/8	– 1	-02.26	-5	554
BROADCASTING WITH OTHER MAJOR INTERESTS						
[illegible]	26	27 1/8	– 1 1/8	-04.14	20	1,839
[illegible]	54	59	– 5	-08.47	14	1,857
[illegible]	30	30 1/4	– 1/4	-00.82	16	1,000
[illegible]	33	33		00.00	15	1,000
[illegible]	49	49		00.00	20	1,000
[illegible]	49	45	+ 4	+08.88	32	1,000
[illegible]	39	39		00.00	10	1,000
[illegible]	39	39		00.00	10	1,000
[illegible]	39	39		00.00	10	1,000
[illegible]	39	39		00.00	10	1,000
[illegible]	39	39		00.00	10	1,000

STOCK INDEX 2



by New England Digital, sponsored by *Society of Broadcast Engineers, chapter 15*. New York Times building, New York. Information: David Baile, (212) 752-3322.

■ **April 18-19**—*Center for Communications* seminar "Doing the Right Thing: Mandates in the Communications Industries," New York. Information: Lisa Weaver, (212) 636-3550.

April 18-20—*Broadcast Financial Management Association* 30th annual convention, Hyatt Regency, San Francisco. Information: (708) 296-2520.

April 18-20—*Virginia Cable Television Association* 24th annual convention, Cavalier Hotel, Virginia Beach. Information: (804) 780-1776.

April 18-21—*National Broadcasting Society Alpha Epsilon Rho* national convention, Disney World Resort, Orlando. Information: (602) 965-7167.

April 18-22—*Religious Communications Congress* "Proclaim the Message," religious broadcasting seminar featuring seminars and workshops and exhibits from broadcasting, production, satellite uplinking, fund raising, computer and video. Opryland, Nashville. Information: (615) 228-1566.

April 19—*Ohio State Awards* presentation ceremony and luncheon, National Press Club, Washington. Information: Bruce Madry, (614) 292-0185.

April 19-20—*C-SPAN* "Capitol Experience" seminar "to provide cable operators with insight into the network's programming philosophy, resources, plans, C-SPAN and ways to promote it among their general audience," C-SPAN headquarters, Washington. Information: (202) 737-3220.

April 19-20—*Cable Television Law* "Reviewing the Cable Act," seminar co-sponsored by *Practising Law Institute* and *California Continuing Education of the Bar*, Hyatt Regency, San Francisco. Information: (415) 433-3250.

■ **April 20**—*SATPRO Educational Foundation* fourth annual national seminar, "Meeting the New Competition for Our Audience," Westin Hotel, Chicago. Information: (312) 280-8800.

April 20-21—*Texas AP Broadcasters* annual convention, Washington-Hyatt, Fort Worth. Information: (214) 241-7380.

■ **April 20-21**—*Radio-Television News Directors Association* region six conference, Opryland, Nashville. Speakers: Douglas Edwards, former CBS News anchor and Peabody and APBA award winner; Phil Jones, president of the Country Radio Broadcasters, and Nan Stanton. Information: (312) 649-1730.

■ **April 21**—*Radio-Television News Directors Association* region two conference, Sheraton, Syracuse. Speaker: RTNDA President Dave Rietz. Information: Bill Metzger, (315) 452-2000.

Open Mike

Radio rave

EDITOR: Congratulations on your 59th anniversary. BROADCASTING has always done a great job of telling us folks what's going on in the radio industry. Unlike some other publications, you haven't reduced "radio" to a few paragraphs next to the classifieds.—*Dick Painter, general manager, KMRS(AM)-KKIA(FM), Morris, Minn.*

Religious rights

EDITOR: I found most disturbing the "suggestion" in your Feb. 26 editorial, "Voice vote," that the comments submitted by Bonneville Broadcasting, Morality in Media and the American Family Association should be disregarded by the FCC because these organizations are allegedly "powered by strong church influence."

While I have not read the comments submitted by AFA, I have read those submitted by Bonneville and Morality in Media, and both organizations rest their arguments in support of the congressional ban on broadcast indecency on legal precedent, data relating to the broadcast listening audience and "reason."

The Constitution certainly does not require the FCC to reject such arguments because leaders in these organizations may be members of conservative religious bodies. To say otherwise is to deprive the lens of millions of Americans who are members of conservative religious groups of their rights and privileges as free citizens. Our nation's devout founding fathers never intended anything so prejudicial, and the American people, who historically have abhorred tyranny, will hopefully never permit it.—*Robert Peters, New York.*

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Note: panels may vary on location

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TV advertising tops $21 billion in 1989

Advertising revenues in 1989 topped the previous year by 3.6%, according to just-released figures from the Television Bureau of Advertising. Getting its numbers from Arbitron's Broadcast Advertiser Reports (BAR), TVB says that $21.3 billion was invested in over-the-air television last year, compared to $20.6 billion in 1988. TV did well in the fourth quarter even without the political advertising that accounted for $150.8 million in the fourth quarter of 1988.

The TVB report (see chart) shows the automotive industry taking first place for the first time with $2,969,741,000, a 14% gain over 1988's $2,600,451,200, when it trailed food and food products by $246 million.

General Motors was the top network advertiser, spending $806,513,500, a 14% increase from its 1988 total of $443,402,900. Sears & Roebuck was the ninth on the top-10 list with $187,511,300, a 118% increase from 1988's $85,900,600.

The top-10 list of national and regional spot advertisers for 1989 was dominated by auto manufacturers. General Motors was first again with $350,297,700, a 12% increase over 1988's $312,150,400. Ford Motor Co. was third with $179,531,600, an increase of 8% from $165,666,600 in 1988. Other auto manufacturers in the top 10 were Chrysler (fifth place with $165,682,800), Toyota (sixth place with $164,199,800), Nissan (eighth place with $121,305,000) and Honda (10th place with $85,802,100).

Network, spot, syndication combined ad spending

Category	1988	1989	% Change
Automotive	$2,600,451,200	$2,969,741,100	+ 14%
Food & Food Products	$2,846,178,800	$2,969,145,700	+ 4%
Restaurants:Drive-ins	$1,343,830,900	$1,485,770,700	+ 11%
Toiletries/Toilet Goods	$1,270,272,800	$1,287,243,000	+ 1%
Proprietary Medicines	$1,067,216,800	$1,057,750,500	-1%

Note: Not included in above are retail stores classified in categories including supermarkets in food and food products, auto and truck dealers in automotive and drug stores in proprietary medicines. Local data is included in restaurants and drive-ins.

TV advertising investments: 1989 vs 1988

	Jan. Dec. '88	Jan. Dec. '89	% Change
Network	$9,580,367,400	$9,559,077,100	-0.2%
Spot	$5,271,214,400	$5,423,256,600	2.3%
Local	$4,848,115,300	$5,076,006,100	4.5%
Nat. Syn.	$900,331,400	$1,286,826,100	42.9%
Total	$20,600,028,500	$21,345,165,900	3.6%

Source: BAR

Non-automotive advertisers in the top 10 were Procter & Gamble (second), Philip Morris (fourth), General Mills (seventh) and Pepsico (ninth).

According to the report, local TV advertising increased 4.5% in 1989 while spot TV was up 2.3%. Network television posted a total of $9.6 billion, equaling 1988's total without the aid of the Olympics and national elections.

National syndication advertising for 1989 totaled $1.3 billion, up 42.9% from 1988.

On the local retail advertising side, discount, department and variety stores increased expenditures by 22%. Other big gainers included personal service advertisers (21%), medical and health-related services (16%), and household stores (12%). Auto parts suppliers, car and truck dealers and motorcycle dealers experienced a 12% drop.

The top five local and retail television advertisers were Pepsico Inc. (Pizza Hut, Taco Bell, Kentucky Fried Chicken), McDonald's Corp., Walt Disney Co., Grand Metropolitan and Time Warner Inc. Sears Roebuck & Co. again turned in large increases in their expenditures—from $14,989,900 in 1989 to $46,502,300, a gain of 210%. ❑

TCI lays down the law on regional sports

MSO says it won't agree to deals forcing it to put networks on basic or calculating payment based on number of basic subs

When it comes to affiliation agreements with regional sports networks, Tele-Communications Inc. plans to play hardball.

Last week the largest MSO disclosed at a Washington press conference that it would not sign affiliation agreements mandating basic carriage or deals that required TCI to provide a guaranteed minimum payment based on a system's basic subscriber count.

Although not mentioned by name, the gauntlet TCI threw down was clearly aimed at several SportsChannel regional services. TCI officials said its cable systems in the San Francisco Bay area, northern Ohio, Miami, Chicago and the Twin Cities have encountered this "take it or leave it attitude" on carriage terms. In all of those markets, SportsChannel has regional sports operations. In three of those places—the Bay Area, Miami and the Twin Cities—TCI has an ownership interest in rival regional sports services, and in general, TCI, through Prime Network, has squared off against SportsChannel across the country in the regional sports battle.

Mandated basic carriage and basic guarantees "will lead directly to uncontrolled siphoning and higher cable rates for all," said J.C. Sparkman, TCI executive vice president. "Under this scenario all basic cable subscribers have to help pay for this very expensive programing, whether they like it or not."

Sparkman said TCI's stand will help prevent the advent of significant siphoning. When broadcasters vie for local sports rights, he said, "they must gamble that viewership will be high enough to yield ad revenue sufficient to cover their costs." That constraint isn't present with cable regional bidders, Sparkman said, who avoid the price-value decisions of customers by having the affiliate fee cross-subsidy.

"It's one thing when cable sports events are added to broadcast games, or are in different time slots, a reference to the two new NFL deals, said Bob Thomson, TCI vice president, government affairs. "It's another when cable is held hostage to intemperant bidding," he said. In an unnamed market, said Thomson, a city council member told TCI they would support revocation of TCI's franchise unless TCI carried the local sports channel.

The new TCI edict will also cover the regional sports networks in which it owns an interest, including San Francisco, Seattle, Denver, Pittsburgh, Indianapolis, Minneapolis, Utah and the Southeast. Sparkman said in cases where TCI owns regional networks and systems in the same area, "we have signed affiliation agreements on this same basis." The same terms are being offered to other cable systems in the area, he added.

Escalating rights costs in national sports services don't present the same problem for TCI, Thomson said. Those costs are less—the NFL surcharge for ESPN's new deal is 14-17 cents over the four years, for instance—than regional "tariffs of $1 to $2," said Thomson. There are also no long-term program cost controls in regional deals, said Thomson, like are present in national program deals. Of the markets mentioned, TCI does have a SportsChannel deal in Chicago. TCI said costs rose 150% in the three years of the contract, and currently the service is part of TCI's negative option tier, which it has instituted company-wide. TCI affiliates in the New York area carrying MSG have the right to push MSG to a tier next year if MSG carries all Yankee games—which would be double the amount—and its wholesale costs rise accordingly.

Sparkman said TCI hopes to unbundle even further as the technology is refined, to offer programing packages. Regional sports could even be offered on an a la carte basis, TCI said. –MS